

## ➤ Why participate in a 403(b) Plan in addition to SURS?

Many retirement experts suggest that a retirement income level of at least 70% of your final salary is a good target level for people starting to save for retirement. Many people who retire at age 65 could live 20 or more years in retirement. Proper planning for those years is essential to ensuring that you have the income you need. Depending on your personal goals, SURS alone may not meet your retirement objectives.

Participating in the 403(b) Plan gives you the opportunity to accumulate additional retirement savings with certain tax advantages. Additionally, a 403(b) account is an individual account – you decide how much to contribute and how to invest your contributions, and you may begin participating at any time.

## ➤ How does the University of Illinois 403(b) Plan work?

As a participant in the 403(b) Plan, you have the option of contributing pre-tax and/or Roth (after-tax) funds. Both options offer you the following:

- Choose to invest a flat dollar amount or a percentage of your annual salary. Keep in mind that the percentage method allows your investment contributions to grow as your salary grows.
- Participation is strictly voluntary and does not reduce any of your employee benefits based on full salary such as retirement, life insurance, disability or survivor benefits.

## ➤ Who can participate?

All University of Illinois System (the “system”) employees who are receiving a W-2 from the system while the 403(b) Plan is in effect may participate as long as they are able to contribute the minimum contribution amount, which is \$200 per year.

## ➤ How much can I contribute?

*Minimum:* You must elect to contribute at least the minimum of \$200 per year.

*Maximum:* If you are under age 50, the maximum 403(b) contribution is \$22,500. Employees age 50 or over may contribute an additional \$7,500 up to a maximum of \$30,000.

In addition, employees who have worked full-time for the system for 15 years or more, and have not taken advantage of all their 403(b) salary deferral opportunities in the past, may be able to contribute up to an additional \$3,000 per year, to a lifetime maximum of \$15,000.

If you contribute, in any calendar/tax year, to a retirement plan through another employer, it is your responsibility to monitor your total contributions to all plans to ensure that you do not contribute over the IRS maximum allowed each year. See <https://www.irs.gov/retirement-plans/cola-increases-for-dollar-limitations-on-benefits-and-contributions>

There is no employer contribution in this plan.

## ➤ What are my investment company choices?

**TIAA**  
<http://www.tiaa.org/uofi403b>

**Fidelity Investments**  
<http://www.netbenefits.com/uofi403b>

## ➤ How do I enroll?

To enroll, you must do two things.

1. Select an investment company(s) and open an account **and**
2. Complete a “Salary Reduction and/or Redirection Agreement” (SRA) form, which authorizes the system to withhold your 403(b) contributions from your pay and send them to the investment company(s) on your behalf.

### **Step 1: Select Investment Company(s) and Open Account(s)**

Learn about the two investment companies and the different funds they offer. Review the company websites and read their fund prospectuses online. Call the investment company(s) if you wish to obtain paper copies of these materials.

Follow the instructions for the appropriate investment company below.

#### **Enroll with TIAA:**

- Visit <http://www.tiaa.org/uofi403b> and select “Ready to Enroll”.
- Under Enroll in your 403(b) Retirement Plan, select “Begin Enrollment”.
- If you are a returning user, enter your User ID under “Already registered with TIAA?” and select “Login”; if you are a first-time user and need to create your User ID and password, select “Register Now”.  
User ID \_\_\_\_\_ Password \_\_\_\_\_
- Follow the on-screen directions, selecting “Continue” in the lower-right corner to advance each screen.
- Upon completion, **record the TIAA enrollment confirmation number, which will be required to proceed with Step 2 of the enrollment process.** Record your confirmation number here: \_\_\_\_\_
- Choose your beneficiary(s) online or by downloading and completing the appropriate form.

#### **Enroll with Fidelity Investments:**

- Visit <http://www.netbenefits.com/uofi403b> and select “Enroll Today”.
- Complete all required fields.
- Choose your investments - links will be available for further information on the fund choices.
- Upon completion, **record the Fidelity confirmation number, which will be required to proceed with Step 2 of the enrollment process.** Record your confirmation number here: \_\_\_\_\_
- Choose your beneficiary(s) by downloading and completing the appropriate form.

### **Step 2: Complete the Salary Reduction and/or Redirection Agreement (SRA)**

After completion of Step 1, you must complete the SRA form at <http://go.uillinois.edu/403bSRA>. Contributions into the 403(b) Plan will not begin until the SRA has been received.

## ➤ Who can I contact for more information?

Contact UPB or the investment companies directly:

#### **University Payroll & Benefits**

Create a service ticket:

<https://www.obfs.uillinois.edu/payroll/customer-service/>

Urbana: 217-265-6363

Chicago: 312-996-7200

Springfield: 217-206-7144

#### **Investment Companies**

TIAA: 800-842-2776

Fidelity Investments: 800-343-0860

Free retirement and investment seminars, webinars, and one-on-one counseling sessions are available at certain times throughout the year. See <https://hr.uillinois.edu/benefits/retirement/help> for more information or to schedule a counseling session.

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*This information is provided with the understanding that it is a source of information and does not constitute legal, tax, or other professional advice. If legal, tax, or other professional advice is required, the services of a professional advisor should be sought.*